



39 CFR Part 111

New Mailing Standards for Domestic Mailing Services Products

AGENCY: Postal Service™.

ACTION: Proposed rule.

SUMMARY: On April 6, 2022, the Postal Service (USPS®) filed a notice of mailing services price adjustments with the Postal Regulatory Commission (PRC), effective July 10, 2022. This proposed rule contains revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) to coincide with the price adjustments.

DATES: Submit comments on or before [INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: Mail or deliver written comments to the Manager, Product Classification, U.S. Postal Service, 475 L'Enfant Plaza SW, Room 4446, Washington, DC 20260-5015. If sending comments by email, include the name and address of the commenter and send to PCFederalRegister@usps.gov, with a subject line of "July 2022 Domestic Mailing Services Proposal." Faxed comments are not accepted. You may inspect and photocopy all written comments, by appointment only, at USPS® Headquarters Library, 475 L'Enfant Plaza SW, 11th Floor North, Washington, DC, 20260. These records are available for review on Monday through Friday, 9 am - 4 pm, by calling 202-268-2906.

FOR FURTHER INFORMATION CONTACT: Doriane Harley at (202) 268-2537, Jacqueline Erwin at (202) 268-2158, or Dale Kennedy at (202) 268-6592.

SUPPLEMENTARY INFORMATION: Proposed prices will be available under Docket No. R2022-1 on the Postal Regulatory Commission's Web site at www.prc.gov.

The Postal Service's proposed rule includes: changes to prices, mail classification updates, product simplification efforts, and minor revisions to the DMM.

Qualified Business Reply Mail (QBRM) Uniform Rate

Currently, the Postal Service has two pricing tiers for QBRM letters, one price for up to and including 1 ounce and a separate price for up to and including 2 ounces, for both high volume and basic.

The Postal Service is proposing to replace these pricing tiers with a uniform per-piece price for QBRM letters up to and including 3.5 ounces. The proposal would also allow high-volume business reply mail customers to use the QBRM product.

QBRM customers will be required to have an Intelligent Mail barcode (IMb) on their QBRM mailpieces. This allows the Postal Service to process the mailers' QBRM letters through the automated accounting process.

Direct Container Discount for Marketing Mail High Density Plus and Saturation Flats

The Postal Service is proposing to offer discounts for USPS Marketing Mail Saturation Flats (including EDDM, not EDDM Retail) and High Density Plus Flats in 5-digit (direct) containers (pallets, sacks, and tubs). Currently, the Postal Service offers discounts for Carrier Route Flats and High Density Flats on 5-digit (direct) pallets; these discounts would now extend to Carrier Route Flats and High Density Flats in 5-digit (direct) sacks and tubs.

Round-Trip Mailings with One Optical Disc—Nonautomation Presort

Currently, the Postal Service offers two prices for nonautomation machinable letters: AADC and Mixed AADC.

The Postal Service is proposing to extend the updated pricing structure for nonautomation machinable letters to Round-Trip Mailings with One Optical Disc. Letter-shaped mailpieces up to 1 ounce will be able to avail themselves of nonautomation machinable letter AADC and Mixed AADC prices instead of being limited to one nonautomation presort price. Similarly, flat-shaped mailings up to 2 ounces will be able to avail themselves to nonautomation machinable letter AADC and Mixed AADC prices instead of one nonautomation presort price.

Priority Mail Insurance

Currently, the Postal Service includes insurance coverage with Priority Mail® against loss, damage, or missing contents limited to a maximum liability of \$50.00 when the mailer pays retail or Commercial Base prices and to a maximum liability of \$100.00 when the mailer pays Commercial Plus prices. Additionally, the Postal Service does not include insurance with Priority Mail Return service pieces.

The Postal Service is proposing to make the insurance amount included with retail and commercial priced Priority Mail limited to a maximum liability of \$100.00.

In addition, the Postal Service is proposing to include the \$100.00 of insurance with Priority Mail Return service pieces.

These proposed revisions will provide consistency within postal products and add value for customers.

Although exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), (c)) regarding proposed

rulemaking by 39 U.S.C. 410(a), the Postal Service invites public comments on the following proposed revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1.

We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

The Postal Service proposes the following changes to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the Code of Federal Regulations (see 39 CFR 111.1):

PART 111 – [AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) to read as follows:

***Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM)**

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200 Commercial Mail

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230 First-Class Mail

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233 Prices and Eligibility

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4.0 Additional Eligibility Standards for Nonautomation Machinable First-Class Mail

4.3 Price Application — Nonautomation Machinable — Letters

Nonautomation machinable letters are subject to AADC and mixed AADC prices only (including Round-Trip Mailings with One Optical Disc).

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240 Commercial Mail USPS Marketing Mail

243 Prices and Eligibility

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6.0 Additional Eligibility Standards for Enhanced Carrier Route USPS Marketing Mail Letters and Flats

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6.3 Basic Price Enhanced Carrier Route Standards

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[Revise the title and text of 6.3.4; to read as follows:]

6.3.4 Basic Carrier Route Bundles on a 5-digit/Direct Container (Basic–CR Bundles/Container) Price Eligibility–Flats

The Basic – CR Bundles/Container discount applies to each piece in a carrier route bundle of 10 or more pieces that are palletized under 705.8.0 on a 5-digit carrier route or 5-digit scheme carrier route pallet entered at an Origin (None), DNDC, DSCF, or DDU entry or palletized under 705.14.0 on a FSS scheme pallet (in a FSS Scheme bundle), or in a Carrier Route sack or tub under 245.9.3 and entered at an Origin (None), DNDC, DSCF, or DDU .

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6.5 High Density and High Density Plus (Enhanced Carrier Route)

Standards—Flats

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[Revise the title and text of 6.5.3; to read as follows:]

6.5.3 High Density Carrier Route Bundles on a 5-digit/Direct Container

(High Density-CR Bundles/Container Discount Eligibility)—Flats

High Density—CR Bundles/Container discount applies to 125 or more High Density—eligible pieces that are palletized under 705.8.0 on a 5-digit carrier route, 5-digit carrier routes, or 5-digit scheme carrier route pallet entered at an Origin (None), DNDC, DSCF, or DDU entry, or palletized under 705.14.0 on a FSS scheme pallet (in a FSS scheme bundle), or in a Carrier Route sack or tub under 245.9.3 and entered at an Origin (None), DNDC, DSCF, or DDU.

[Add new section 6.5.4; to read as follows:]

6.5.4 High Density Plus Carrier Route Bundles on a 5-digit/Direct Container

(High Density Plus-CR Bundles/Container Discount Eligibility)—Flats

High Density Plus—CR Bundles/Container discount applies to 300 or more High Density Plus eligible pieces that are palletized under 705.8.0 on a 5-digit carrier route, 5-digit carrier routes, or 5-digit scheme carrier route pallet entered at an Origin (None), DNDC, DSCF, or DDU entry, or palletized under 705.14.0 on a FSS scheme pallet (in a FSS scheme bundle) or in a Carrier Route sack or tub under 245.9.3 and entered at an Origin (None), DNDC, DSCF, or DDU.

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6.7 Saturation Enhanced Carrier Route Standards - Flats

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[Add new section 6.7.3; to read as follows:]

6.7.3 Saturation — (including EDDM) Carrier Route Bundles on a 5-digit/Direct Container (Saturation—CR Bundles/Container Discount Eligibility)—Flats

Saturation—CR Bundles/Container discount applies to at least 90% or more of the active residential addresses or 75% or more of the total number of active possible delivery addresses on each carrier route that are palletized under 705.8.0 on a 5-digit carrier route, 5-digit carrier routes, or 5-digit scheme carrier route pallet entered at the origin (None), DNDC, DSCF, or DDU entry, or palletized under 705.14.0 on a FSS scheme pallet (in a FSS scheme bundle), or in a Carrier Route sack or tub under 245.9.3 and entered at an Origin (None), DNDC, DSCF, or DDU.

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500 Additional Services

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503 Extra Services

1.0 Basic Standards for All Extra Services

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1.4 Eligibility for Extra Services

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Exhibit 1.4.1 Eligibility—Domestic Mail

EXTRA SERVICE	ELIGIBLE MAIL	ADDITIONAL COMBINED EXTRA SERVICES
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Insurance

Insurance Restricted Delivery

[Revise the “Note:” under “Insurance” to read as follows:]

Note: Priority Mail Express includes \$100.00 of insurance and Priority Mail includes \$100.00 of insurance; see 503.4.0.

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4.0 Insured Mail

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4.2 Insurance Coverage — Priority Mail

[Revise the introductory text of 4.2 to read as follows:]

Priority Mail pieces, including Priority Mail Return service, are insured against loss, damage, or missing contents, up to a maximum of \$100.00, subject to the following:

[Revise the text of item a to read as follows:]

a. Insurance coverage is provided against loss, damage, or missing contents and is limited to a maximum liability of \$100.00 when the Priority Mail pieces bear an Intelligent Mail package barcode (IMpb) or USPS retail tracking barcode (see 4.3.4) and the mailer pays retail or commercial prices.

[Delete item b in its entirety and renumber items c through f as b through e, respectively.]

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[Revise the text of item d (as renumbered) to read as follows:]

d. Insurance coverage under 4.2a is not provided for Priority Mail pieces mailed as Priority Mail Open and Distribute or Premium Forwarding Service.

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505 Return Services

1.0 Business Reply Mail (BRM)

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1.6 Additional Standards for Qualified Business Reply Mail (QBRM)

1.6.1 Description

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[Revise the text of 1.6.1a, through 1.6.1e; to read as follows:]

- a. Meets all the Business Reply Mail (BRM) standards in 1.3 through 1.8.
- b. Has postage and per piece charges deducted from a BRM advance deposit account.
- c. Is a letter weighing 3.5 ounces or less or card that is prepared to meet the automation compatibility requirements in 201.3.0.
- d. Is authorized to mail at QBRM prices and fees under 1.6.2. During the authorization process, a proper ZIP+4 code is assigned to the mailer (under 1.6.2) for each QBRM to be returned under the system (one for card priced pieces and one for letter-size pieces weighing up to and including 3.5 ounces).
- e. Bears the proper ZIP+4 code, assigned by USPS, in the address of each piece. The ZIP+4 codes assigned for this program must be used only on the organization's appropriate QBRM pieces.***

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3.0 USPS Returns Service

3.1 Basic Standards

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3.1.3 Postage and Prices

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[Revise item c1 to read as follows:]

- 1. Insurance is available for USPS Returns service (see 503.4). Insurance is not included with the postage for Priority Mail Return service (see 503.4.2). Insurance for First-Class Package Return service and Ground Return service,

and additional insurance for Priority Mail Return service is available to the account holder for a fee on packages that have the applicable STC embedded into the IMpb on the authentic USPS label with valid postage, and for which the account holder has provided electronic data that supports the value of the merchandise (see 503.4.3.1a). Only the account holder of record may file a claim (see 609). Except for Priority Mail Return service, mailers mailing a USPS Returns service package may obtain insurance at their own expense at the time of mailing by presenting an authentic USPS Returns label with valid postage affixed to the package at a Post Office retail unit to obtain the service.

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700 Special Standards

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705 Advanced Preparation and Special Postage Payment Systems

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8.0 Preparing Pallets

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8.10 Pallet Presort and Labeling

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8.10.3 USPS Marketing Mail or Parcel Select Lightweight—Bundles, Sacks, or Trays

[Revise the second sentence to read as follows:]

* * * For USPS Marketing Mail High Density and High Density Plus flats price eligibility, only 5-digit pallets under 8.10.3a–c are allowed, and the pallets must be entered under None, DNDC, DSCF or DDU standards. (Use “HD/HD+ DIRECT” for one route and “HD/HD+ CR–RTS” for multiple routes on the line 2 contents description). * * *

[Revise item a2 to read as follows:]

* * * 2. Line 2: “STD” followed by “FLTS”; followed by “HD/HD+” for High Density and High Density Plus flats pricing eligibility; followed by “CARRIER ROUTES” (or “CR-RTS”); followed by “SCHEME” (or “SCH”).* * *

[Revise item b2 to read as follows:]

***2. Line 2: For flats and Marketing parcels (Product Samples only), “STD FLTS” or “STD MKTG,” as applicable; followed by “HD/HD+” for High Density and High Density Plus flats pricing eligibility; followed by “CARRIER ROUTES” (or “CR-RTS”). For letters, “STD LTRS”; followed by “CARRIER ROUTES” (or “CR-RTS”); followed by “BC” if the pallet contains barcoded letters; followed by “MACH” if the pallet contains machinable letters; followed by “MAN” if the pallet contains nonmachinable letters.

[Revise item c to read as follows:]

c. 5-digit carrier routes, required for High Density and High Density Plus flats pricing eligibility, permitted for bundles. Pallet must contain only carrier route mail for one carrier and same 5-digit ZIP Code. Labeling:***

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Notice 123 (Price List)

[Revise prices as applicable.]

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Sarah E. Sullivan,

Attorney, Ethics and Legal Compliance.